### BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETAR)

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

# RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HOPE TO INTERROGATORIES OF VAL-PAK DIRECT MARKETING SYSTEMS, INC. AND VAL-PAK DEALERS' ASSOCIATION, INC. (VP/USPS-T31—25-31)

The United States Postal Service hereby provides the responses of witness Hope to the following interrogatories of Val-Pak Direct Marketing Systems, Inc. and Val-Pak Dealers' Association: VP/USPS-T31—25-31, filed on October 19, 2001.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Anthony Alverno

Attorney

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#### **VP/USPS-T31-25:**

Please refer to USPS-LR-J-131, WP1, page H, tab COST. For the mail processing unit costs shown there, have you or the Postal Service computed a breakdown of the mail processing unit cost by different entry points such as BMC, SCF, and DDU? If so, please provide those data and indicate how they were derived.

#### **RESPONSE:**

Please see response to VP/USPS-T31-23.

#### **VP/USPS-T31-26:**

Please refer to USPS-LR-J-131, WP1, pages P and W, TYAR VOL and TYAR VOL CAT, respectively. For ECR pound-rated nonletters, page P shows total TYAR pounds equal to 3,010.225 (column F, row 53) and page W shows total TYAR pounds equal to 3,074.348 (column F, row 22). Please explain the difference between the total TYAR pounds for ECR pound-rated nonletters, and indicate which of the two figures is the final, correct figure.

### **RESPONSE:**

I assume that the question refers to the TYAR pounds in column G, row 22.

Please see response to VP/USPS-T31-24.

#### **VP/USPS-T31-27:**

Please refer to USPS-LR-J-131, WP1, page H, tab COST.

- a. The reference for the data found in column 1 is indicated simply as "USPS-T-43 and USPS-LR-J-59." With respect to this testimony and library reference, please provide precise references (e.g., page number and, if to a spreadsheet, cell references) indicating where the data in column 1 can be found.
- b. The reference for the data found in column 2 is indicated simply as "USPS-LR-J-59." Please provide a precise reference (e.g., page number and, if to a spreadsheet, cell references) indicating where the data in column 2 can be found.

#### **RESPONSE:**

- a. See USPS-LR-J-59, Workbook LR-J-59.xls, Spreadsheet "Table 1", cellsC5, C6, C7, C8, C12, and C16.
- b. See USPS-LR-J-58, Workbook LR58ADJ.xls, Spreadsheet "Summary",
   Columns A to G, Rows 56 to 59, or USPS-LR-J-117, Workbook LR-J-117.xls, Spreadsheet "Table 1", Columns A to G, Rows 60 to 63.

#### VP/USPS-T31-28:

Please refer to USPS-LR-J-131, WP1, page F, tab TYBR SUM, spreadsheet column C, row 8. What is the source of the NECR revenues shown in the indicated cell?

#### **RESPONSE:**

The source is USPS-LR-J-131, WP2, Page E, Line 27.

#### VP/USPS-T31-29:

Please refer to USPS-LR-J-131, WP1, page G, tab DROP DIS. For footnote (1), please provide a precise reference to USPS-LR-J-68 (e.g. page number and, if to a spreadsheet, cell references).

#### **RESPONSE:**

See USPS-LR-J-68, Workbook Appendix B.xls, Spreadsheet "RESULTS", Table 9, cells F41, F42, and F 43 and Workbook Appendix C.xls, spreadsheet "RESULTS", Table 1, cells E41, E42, and E43. Dropship discounts are also discussed on pages 1, line 12 to 5 of witness Mayes' testimony (USPS-T-23).

#### VP/USPS-T31-30:

Please refer to USPS-LR-J-131, WP1, page R, tab FIN SUM, spreadsheet column B, row 10. What is the source of the NECR revenues shown in the indicated cell?

### **RESPONSE:**

The source is USPS-LR-J-131, WP 2, Page Q, Line 31.

### VP/USPS-T[31]-31:

- a. For Base Year 2000 or FY 2001 to date, does the Postal Service have any performance data for Standard ECR mail?
- b. If your answer to part a is anything other than an unqualified negative, please provide copies of all available data.
- c. If your answer to part a is that no data are available, when does the Postal Service expect to implement data gathering that will produce performance data for Standard ECR Mail?

#### RESPONSE:

I assume that this question is directed specifically to me, as witness T-31, rather than to witness Moeller (USPS-T32) as indicated.

- a. No.
- b. Not applicable.
- c. There currently are no plans to gather nationally representative, randomly sampled, externally validated data. Internal systems such as Advance and CONFIRM may provide an indication of performance on a mailing by mailing basis, but are dependent upon mailer participation.

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Anthony Alverno

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